

PROPOSITION 1B  
Highway Safety, Traffic Reduction,  
Air Quality, and Port Security Bond Act of 2006.  
Stats. 2006, Chapter 25 (SB 1266).  
Sponsor: Senator Perata

Date: July 20, 2006

**BALLOT LABEL**

**HIGHWAY SAFETY, TRAFFIC REDUCTION,  
AIR QUALITY, AND PORT SECURITY BOND ACT OF 2006.**

This act makes safety improvements and repairs to state highways, upgrades freeways to reduce congestion, repairs local streets and roads, upgrades highways along major transportation corridors, improves seismic safety of local bridges, expands public transit, helps complete the state's network of car pool lanes, reduces air pollution, and improves anti-terrorism security at shipping ports by providing for a bond issue not to exceed nineteen billion nine hundred twenty-five million dollars (\$19,925,000,000). Fiscal Impact: State costs of approximately \$38.9 billion over 30 years to repay bonds. Additional unknown state and local operations and maintenance costs.

**SUBJECT TO COURT  
ORDERED CHANGES**

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### **BALLOT TITLE & SUMMARY**

#### **HIGHWAY SAFETY, TRAFFIC REDUCTION, AIR QUALITY, AND PORT SECURITY BOND ACT OF 2006.**

- Makes safety improvements and repairs to state highways; upgrades freeways to reduce congestion; repairs local streets and roads; upgrades highways along major transportation corridors.
- Improves seismic safety of local bridges.
- Expands public transit.
- Helps complete the state's network of car pool lanes.
- Reduces air pollution.
- Improves anti-terrorism security at shipping ports.
- Provides for a bond issue not to exceed nineteen billion nine hundred twenty-five million dollars (\$19,925,000,000).
- Appropriates money from the General Fund to pay off bonds.

#### **Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:**

- State costs of about \$38.9 billion over 30 years to pay off both the principal (\$19.9 billion) and interest (\$19.0 billion) costs of the bonds. Payments of about \$1.3 billion per year.
- Additional unknown state and local government costs to operate and maintain transportation infrastructure (such as roads, bridges, and buses and railcars) funded with bonds. A portion of these costs would be offset by revenues generated by the improvements, such as fares and tolls.

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